



Order under Section 69 Residential Tenancies Act, 2006

Citation: Mt. Pleasant Operating Inc. v Walsh, 2026 ONLTB 15314

Date: 2026-02-19

File Number: LTB-L-096158-25

In the matter of: 6 WESTMOUNT BLVD
BRANTFORD ON N3T5J2

Between: Mt. Pleasant Operating Inc. Landlord

And

James Walsh Tenant

Mt. Pleasant Operating Inc. (the 'Landlord') applied for an order to terminate the tenancy and evict James Walsh (the 'Tenant') because the Landlord has entered into an agreement of purchase and sale of the rental unit and the purchaser in good faith requires possession of the rental unit for the purpose of residential occupation.

The Landlord also claimed compensation for each day the Tenant remained in the unit after the termination date.

This application was heard by videoconference on February 12, 2026.

The Landlord's agent John Purkiss, the Landlord's representative Ajitinder Grewal and the Tenant attended the hearing. Megan Melling, the Purchaser, attended as witness for the Landlord.

Determinations:

Preliminary Issue

1. The preliminary issue of who are the proper parties was raised prior to the hearing. The application was originally filed with Lori Osborne indicated as a tenant; however the parties agree that this person does not live in the rental unit and has not done so since before the Landlord took possession of the property. The parties agree to amend the application to remove Lori Osborne.

N12 Notice of Termination

2. For the reasons set out below, the Landlord has proven on a balance of probabilities the grounds for termination of the tenancy and the claim for compensation in the application. However, I have exercised my discretion to extend the eviction date until April 30, 2026.

3. On October 15, 2025, the Landlord gave the Tenant an N12 notice of termination deemed served October 16, 2026, with the termination date of December 31, 2025.
4. The notice was given on behalf of the Purchaser who claims that they require vacant possession of the rental unit for the purpose of residential occupation by the Purchaser and her partner.
5. The rental unit is a single-family dwelling. The Tenant has lived in the rental unit since 2018 with his adult daughter and 8-year-old granddaughter.
6. The Tenant was in possession of the rental unit on the date the application was filed.

Legal Framework

7. This notice was served pursuant to section 49(1) of the *Residential Tenancies Act*, 2006 (the 'Act'). In order to be successful in this application, the Landlord must establish that at the time of the service of the N12 Notice, the residential complex has no more than three rental units and the purchaser requires the rental unit in good faith for the purpose of residential occupation by themselves, their spouse, child and/or caregiver.
8. The law is settled that 'good faith' means a genuine intention to occupy the premises and not the reasonableness of the landlord's proposal: *Salter v. Beljinac*, 2001 CanLII 40231 (ON SCDC) ("Salter"). The Divisional Court stated in *Salter* that:

"While it is relevant to the good faith of the landlord's stated intention to determine the likelihood that the intended family member will move into the unit, the Tribunal stops short of entering into an analysis of the landlord's various options".

9. Subsequent case law also confirms that while the motives of the Landlord are largely irrelevant, the Board may draw inferences about the Landlord's good faith from the Landlord's conduct and motives (see *Fava v. Harrison* 2014 ONSC 3352 (ONSC DC) ("*Fava*").

Previous N12 Notices

10. The Tenant identified three prior N12 notices that had been served on the Tenant. Other than the N12 notices themselves, neither party had sufficient memory of the details surround the service of those notices. Still, I am satisfied by the evidence that was presented that the past N12 notices indicate a desire by the Landlord to evict the Tenant for various reasons from 2022 onwards.
11. In 2022, the Landlord gave the Tenant a notice that JP's child intended to move into the rental unit. His daughter was doing renovations at the time on her own home. Based on JP's testimony he clearly believed he had the right to have his daughter move into the rental unit temporarily. It is clear he also did not know a corporation cannot serve an N12 notice under section 48, and perhaps neither did his legal counsel.
12. In 2024, the Landlord gave the Tenant another N12 notice that JP's child intends to move into the rental unit. In this case the Landlord intended his niece to move in. He clearly believed he was entitled to do so, despite 'niece' not being a category of individual entitled

to move into the rental unit under section 48, and despite that a corporation is excluded from relying on section 48 processes.

13. Earlier in 2025, the Landlord gave another N12 notice that a purchaser occupies the rental unit. The intention was for the JP's niece to buy the rental unit. No details were provided by either party regarding this notice.
14. JP testified that his various legal counsel did not properly assist him and none of these notices resulted in applications to the LTB. Prior legal counsel either developed serious illnesses that prevented further representation, or they simply did not give adequate assistance and failed to communicate. Regardless, the Landlord never filed LTB applications and the N12 notices didn't go anywhere. JP couldn't recall if the Tenant had been served the notices, although I am satisfied based on the testimony of the Tenant that the notices were served.
15. Despite previous N12 notices, the motivation for service of those notices is largely irrelevant. The first notice in 2022 was too far away in time to be relevant in my view. Given the procedural and technical difficulties with the N12 notices served on behalf of the Landlord, the pattern of the notices, and JP's challenges with his legal counsel, I am persuaded that the previous notices do not indicate bad faith in this case. I accept circumstances changed over the years, but I find after 2024 there was a consistent attempt to properly secure the rental unit for the Landlord's niece to occupy. The fact that the first attempt was prohibited by the Act does not, in my view make the last attempt bad faith.
16. Although the Tenant pointed generally to 'actions over the years' and 'calls on Sunday morning to move', he could give no dates and times to establish these were in addition to and not related to the N12 notices he received.
17. For the reasons given above, I find that the previous N12 notices of termination do not infer bad faith in this case.

Cash for Keys

18. The parties agree that a "cash for keys" offer was made to the Tenant in the summer of 2025. The Tenant submits this was an attempt to scare him into vacating.
19. I find that the offer of 'cash for keys' is not inconsistent with the purchaser's good faith intention to occupy. I accept that the Landlord's realtor advised JP a cash for keys offer may avoid LTB applications and processes. The Landlord clearly wanted to induce Mr. Walsh to leave the rental unit so he could have vacant possession.
20. Cash for keys transactions are not prohibited by the Act and may be beneficial to both parties, often being more financially beneficial to a tenant. I heard no evidence that the behaviour of JP was such that the tenant would be scared.
21. I therefore am not persuaded the cash for keys offer signifies a lack of genuine intention to occupy by the purchaser. In my view, it is largely irrelevant in this case.

Purchaser's Intention.

22. It is not disputed that the Landlord corporation entered into an agreement of purchase and sale ('APS') with the niece of John Purkiss ('JP'), the Landlord's agent. The Landlord does not dispute the transaction is non-arm's length.
23. JP testified he is 79, has done with buying and flipping properties and being a landlord and wants to sell the property. Although that motive is also largely irrelevant to the Purchaser's desire to occupy the rental unit, I find it is consistent with a good faith intention.
24. MM is being given favorable terms in the APS because of her uncle. JP testified that he wanted, in his advancing years to give a boost to his niece Megan Melling ('MM'), and therefore agreed to sell the property at less than market rent. He has excess wealth and wants to help family. He intends to give MM a mortgage for the first five years, after which she should be able to obtain a mortgage from a big bank. JP provided evidence of a formal APS, prepared by a real estate agent which also contained vendor takeback mortgage terms. Legal counsel is engaged, suggesting a legitimate transaction.
25. It is undisputed that MM was searching for properties to purchase for about a year before she entered into the transaction with her uncle. MM testified that she struggled to find a home she could afford until her uncle agreed to sell her his property. In anticipation of moving into the rental unit, MM gave an N9 notice of termination to her landlord to move out of her rental unit on September 30, 2025. She in fact moved out. She moved her possessions to a storage unit in December and now lives in the basement of her brother's home until this transaction closes. She produced a receipt from Structube demonstrating she bought furniture for the rental unit.
26. While the purchase of furniture is equally consistent with setting up the property for re-rental, I find in combination the actions of MM are consistent with a sincere intention to occupy the rental unit after purchase closes.
27. I do not find the non-arm's length nature of the transaction in this case supports a finding there is bad faith. There is no policy or requirement under the Act that a sale must be arms-length. The fact of this sale to JP's niece is but one factor to consider when the Board assesses whether there is a genuine intention to occupy the rental unit by the Purchaser.
28. I have considered that the JP's reasons are consistent with helping his niece own her first home. The evidence supports the conclusion there is no bad faith attempt to circumvent the requirements under section 48 of the 'Act, by proceeding under section 49. MM genuinely and sincerely intends to buy and occupy the rental unit for her own residential purposes.
29. I note that the Tenant acknowledge at the hearing that he is only speculating that MM won't move in. He points to a time in the fall when JP came to the rental unit with a cattle prod and the Tenant called police. However, this incident is not, in my view evidence the N12 was served in bad faith, because the Tenant acknowledged the Landlord likely had the instrument to protect himself from the Tenant's dog when JP went into the yard because the Landlord believes the dog is a 'pit bull'. It is clear the APS between the Landlord and MM existed long before this incident.

30. Based on the evidence before me, the Landlord has proven on a balance of probabilities that the residential complex contains three or fewer units, the Landlord has entered into an agreement of purchase and sale of the residential complex and the purchaser in good faith requires possession of the rental unit for the purpose of their own residential occupation.
31. The Landlord has compensated the Tenant an amount equal to one month's rent by December 31, 2025.

Daily compensation, rent deposit

32. Based on the monthly rent, the daily compensation is \$51.31. This amount is calculated as follows: \$1,560.56 x 12, divided by 365 days.
33. The Tenant is not in arrears of rent.
34. The Landlord collected a rent deposit of \$1,560.56 from the Tenant and this deposit is still being held by the Landlord. Interest on the rent deposit, in the amount of \$281.02 is owing to the Tenant for the period from March 1, 2016 to February 12, 2026.
35. The amount of the rent deposit and interest on the rent deposit is applied to the amount the Tenant is required to pay, if anything.

Relief from Eviction

36. I have considered all of the disclosed circumstances in accordance with subsection 83(2) of the *Residential Tenancies Act, 2006* (the 'Act'), and find that it would not be unfair to postpone the eviction until April 30, 2026 pursuant to subsection 83(1)(b) of the Act.
37. The Tenant has lived in the rental unit since 2018 and lives there with his adult daughter and young granddaughter.
38. The Tenant testified finances will be tight and therefore it will be hard to find another place to live. He believes he has to have perfect credit for a new rental unit. He has not yet looked for another place to live and hasn't applied for any rental units. He believes it will be hard to find housing. I cannot conclude, without some evidence by the Tenant of available units and prices or previous failed applications, that it will be difficult for him to find another rental unit.
39. MM lives in very tight quarters in the basement of her brother's home, with the furniture company holding on to her purchased goods and paying monthly storage fees. However, unlike the Tenant, she has no young children in the home or tight finances.
40. I find therefore balancing the interests of both parties, and in all the circumstances, it would not be unfair to the Landlord to postpone eviction to the date the APS closes on April 30, 2026.

It is ordered that:

1. The tenancy between the Landlord and the Tenant is terminated. The Tenant must move out of the rental unit on or before April 30, 2026.
2. If the unit is not vacated on or before April 30, 2026, then starting May 1, 2026, the Landlord may file this order with the Court Enforcement Office (Sheriff) so that the eviction may be enforced.
3. Upon receipt of this order, the Court Enforcement Office (Sheriff) is directed to give vacant possession of the unit to the Landlord on or after May 1, 2026.
4. The Landlord owes \$1,841.58 which is the amount of the rent deposit and interest on the rent deposit, and this is deducted from any amount owing by the Tenant.
5. The Tenant shall also pay the Landlord compensation of \$51.31 per day for the use of the unit starting March 1, 2026 until the date the Tenant moves out of the unit.

February 19, 2026
Date Issued

Julie Broderick
Member, Landlord and Tenant Board

15 Grosvenor Street, Ground Floor
Toronto ON M7A 2G6

If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.

In accordance with section 81 of the Act, the part of this order relating to the eviction of the Tenant expires on November 1, 2026 if the order has not been filed on or before this date with the Court Enforcement Office (Sheriff) that has territorial jurisdiction where the rental unit is located.